

L.N. 99 of 2012

**Banking Ordinance (Amendment of Seventh Schedule)
Notice 2012**

(Made by the Chief Executive in Council under section 135(1) of
the Banking Ordinance (Cap. 155))

1. Commencement

This Notice comes into operation on 12 July 2012.

2. Banking Ordinance amended

The Banking Ordinance (Cap. 155) is amended as set out in
section 3.

3. Seventh Schedule amended (minimum criteria for authorization)

(1) Seventh Schedule, paragraph 1—

Repeal subparagraph (6).

(2) Seventh Schedule—

Repeal paragraph 13

Substitute

“13. If the company seeking authorization to carry on banking
business in Hong Kong is a company incorporated in a
place outside Hong Kong, either—

(a) there is, in the opinion of the Monetary
Authority, an acceptable degree of reciprocity in
respect of banks incorporated in Hong Kong
seeking to carry on banking business in that
place; or

(b) that place is, or is part of the territory of, a
member of the World Trade Organization.”.

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Manda CHAN
Clerk to the Executive Council

COUNCIL CHAMBER

8 May 2012

Explanatory Note

The main purpose of this Notice is to amend the Seventh Schedule (*Schedule*) to the Banking Ordinance (Cap. 155) to remove—

- (a) the requirement of a company seeking authorization to carry on banking business in Hong Kong to have total customer deposits (excluding certain types of deposit) of not less than \$3,000,000,000 and total assets (less contra items) of not less than \$4,000,000,000 under the existing paragraph 13(a) of the Schedule;
- (b) the requirement of a locally incorporated company seeking authorization to carry on banking business in Hong Kong to have been a deposit-taking company or a restricted licence bank (or any combination of the two) for not less than 3 continuous years under the existing paragraph 13(b)(ii)(A) of the Schedule; and
- (c) the requirement of a foreign bank seeking to establish a locally incorporated subsidiary to carry on banking business in Hong Kong to have been authorized to carry on banking business in Hong Kong for not less than 3 continuous years and make any necessary transfer of deposits and assets under the existing paragraph 13(b)(ii)(B) of the Schedule.